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SUBJECT: Chilean Ambassador to Argentina Emphasizes Positives in
Regional Political Coordination

¶1. (U) Chilean Ambassador Luis Mairre Aguirre met with Ambassador Wayne August 15, the first formal meeting between them. Mairre has been Ambassador since July of 2004 when he was appointed by former President Lagos. The former political exile, Minister, Ambassador to Mexico, and Socialist party official was cordial and forthcoming, clearly identifying joint interests with the USG and sharing perspectives on Argentina.

South American Integration

¶2. (SBU) Mairre discussed the proposal by Ecuadoran President Correa that ex-President Nestor Kirchner (NK) assume the Presidency of the South American Union (UNASUR), succeeding pro-tempore President Bachelet. He said he thought the Kirchner candidacy made sense as a way to gain Argentine buy-in to the project, and also worked politically for the Kirchners as a way to lower NK's domestic profile. Mairre touched on the South American Defense Council, noting that it was not meant to supplant the role of the Inter-American Defense Council, but that it could facilitate common South American responses to shared security challenges, including international crime and drug trafficking. He suggested that, in a crisis such as that brought on by Colombia's strike against the FARC base in Ecuadoran territory, a South American Defense Council might have helped to diminish tensions and encourage communications. Ambassador Wayne said that the USG had no objection to such a role and that our main concern was that its processes be transparent to outsiders and that it not undermine the participants' commitment to the OAS structures.

¶3. (SBU) Mairre further suggested that the Defense Council sprang from a post-9/11 impression in the region that the U.S. security focus was very much on Mexico, Central America and the Caribbean, and that threats falling outside of that frontier might not get the same attention.

U.S.-Latin American Understanding

¶4. (U) Mairre spoke proudly of his work while in exile in Mexico at the Center for Investigation and Economic Teaching (CIDE), building relationships between Latin American and U.S. academics. Ambassador Wayne described a similar and central part of his job as improving understanding of the United States among Argentines. Mairre also described Chile's longstanding and continuing efforts to build economic and social ties to California, based in part on the large number of Chileans who have studied at California's universities.

Economic Relationship

¶5. (SBU) Ambassador Mairre said that Chile's economic relationship with Argentina was its most important, with what he said were \$15 billion in Chilean investments in Argentina, but that it was now growing more slowly than Chilean ties to Brazil and Peru. He said that the lack of judicial security was the primary reason for slower

growth in investments in Argentina. Argentina had a history of not observing its policy and business commitments. Still, both countries were looking to improve the trans-Andean infrastructure, and Chile hoped to make it easier for Argentine exporters to reach Asian markets via Chilean ports. Chile in particular hoped to develop Coquimbo as a port for Cordoba, Santa Fe and even Entre Rios, which he said could cut two weeks of shipping time for products compared to departures from Argentine ports.

WAYNE